Good morning,

I would like to thank the committee for these public hearings and for allowing us to once again speak on behalf of the proposed budget cuts which will directly affect Medicaid recipients' in assisted livings and home and community based services.

This body has heard many forms of testimony in regards to the 3.47% dphhs budgets. And how it will effect Montanans who depend on these services to live.

These cuts are a band-aid. In the short term they may appear to help solve some budget shortfalls; however they fail to ask and answer the following questions.

- 1. If providers continue to turn away Medicaid recipients because they cannot absorb its loses where do these people go? These new cuts proposed by the state assumes providers will continue to admit these peoples and incur the loses associated with working in our Medicaid system. Yet this could not be further from the truth as more and more providers are refusing to admit Medicaid peoples as they simply cannot provide the cares necessary at these low rates provided by the state. If these people are forced into nursing homes for care needs and lack of options this is in no way going to save the state money. Nursing homes are a vital part of healthcare in this state. But these cuts will turn them into a basket for anyone who needs care and has exhausted any personal savings they may have had.
- 2. This budget fails to take into account the increased costs in our hospitals and the state's Medicaid program as peoples that cannot reach services they need are certainly more prone to accidents and injury. This will cause increased costs if a Medicaid participant is sitting in a hospital at a much higher cost then their own home or an assisted living with support and help.

The providers and the Medicaid recipients of this state have only asked that we be involved in these budget processes because we can help legislators separate the fact from the spread sheet. The 3.47% is far above the budgets mandate. In the last months after taking with representatives and reading

article after article it appears this was not their intent when they voted on this budget.

On Friday the governor's budget came out and it also included a question section. In this questions about the budget and its cuts were asked. The response was that the governor had solutions to prevent all of this but he was out voted and legislators were unwilling to be reasonable. The governor signed the budget because a stalemate would have only hurt people. So the mantle of blame has landed again here in the legislators laps.

Most people in Montana don't care about party affiliations they just want to be represented. They believe like many of us here that Montana is one of the last great places in this country. Where ethic and responsibility aren't curse words or a joke. So please we implore you legislators and this committee to go back and look again. So many lives depend on your thoroughness and wisdom in this budgets regard. There are so many people in this state receiving Medicaid less needy then these people who will be hurt by these cuts.

The constitution of Montana promises equal protection for all peoples in Montana. How can this be equal when the most needy and vulnerable in Montana are once again asked to cut their health needs and quality of life, when peoples in the governor's cabinet have said in interviews they think they can raise state wages for some people by 1%?

Is the state going to contract work with other entities then after they start working inform them they intend to cut its promised payments by 3.47%? The people hurt by these cuts are your own constituents. They need us now more than ever to be their voice and to advocate for them.

I keep hearing the governor's statement "physically responsible"

The legislative branch now has the opportunity to start its own catch phrase "morally obligated"

Thank you

Michael Coe